

Meeting Date: 09/30/08

Santa Clara



# AGENDA REPORT

City of Santa Clara, California

Agenda Item # MB-4



**DATE:** September 22, 2008

**TO:** City Manager for Council Action

**FROM:** Director of Streets & Automotive Services

**SUBJECT:** Exclusive Franchise Agreement For Collection and Handling of Recyclables  
With Los Altos Garbage Company

## EXECUTIVE SUMMARY:

Staff received proposals from five contractors to provide residential single-stream collection and recycling services on May 29, 2008. Staff evaluated the proposals and obtained Council authorization to enter into negotiations with Stevens Creek Disposal & Recycling (SCD&R) on June 17, 2008. SCD&R is the current recycling collection service provider and is a dba of Los Altos Garbage Company (LAGCO). LAGCO will drop the dba SCD&R when the next franchise agreement is implemented. A copy of the agreement has been placed in Council Offices for review.

The current recycling franchise agreement will expire on December 31, 2009. Since the current contractor is continuing to provide service under the new agreement, Staff recommends that the new single-stream recycling program be implemented on December 7, 2009 so new containers are not delivered during the end of December winter holiday season. Residents will be able to take advantage of the more convenient single-stream recycling program during the winter holiday season, which is the time of year that extra storage capacity is needed most. Containers and instructions on how to utilize the new single-stream recycling program will be delivered to residents over a four week period, beginning November 9, 2009. A 64-gallon recycling container will be the default container for single-family residents, but residents will be contacted by September 1, 2009 and also be given the option of a 32-gallon or 96-gallon container at no additional cost.

Single-family and multi-family residents will be able to recycle aluminum, tin, scrap metal, plastics marked with a #1-#7, glass bottles and jars, mixed paper, and cardboard in the same container. In addition, compact fluorescent bulbs, motor oil, and motor oil filters may be set out and collected at single-family residences. Recyclable material will become the property of LAGCO upon set-out at the curb. LAGCO will continue to take the recyclable materials to the Recyclery at Newby Island for processing and recovery.

LAGCO will conduct Environmental Days on the first Saturday in March and third Saturday in October each year of the agreement. Residents will also be able to bring in paper and electronic documents for destruction and recycling at each Environmental Day. Electronic waste, universal waste, toys, and clothing may be brought in by residents for reuse or recycling. LAGCO will also sponsor a Coats for Kids Program in Santa Clara, provide at least six (6) classroom presentations that promote recycling at Santa Clara schools each year, and provide recycling services and staff for a public education booth at the City's Arbor Day Celebration, 4<sup>th</sup> of July Celebration, and Santa Clara Arts and Wine Festival at no additional charge.

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LAGCO will submit a container distribution plan by August 1, 2009 and a copy of a map showing collection boundaries of each collection route for all customers by October 15, 2009. LAGCO must submit a brochure that educates residents on how to use the new single-stream recycling to the City for Staff approval by October 12, 2009. The brochure and all containers must be distributed to residents by December 4, 2009.

**ADVANTAGES AND DISADVANTAGES OF ISSUE:**

The single-stream recycling program that LAGCO has proposed to implement should increase the amount of recyclables collected, which will help the City maintain and hopefully improve on its State mandated 50% landfill diversion requirement. The number of multi-family unit households participating in the recycling program should increase significantly with the availability of a more convenient program, increase marketing and contractor required multi-family complex management contact. The scavenging of recyclable materials should also decrease because it will be more difficult to remove beverage containers from a 64-gallon cart than from an 18-gallon bin. LAGCO is the current recycling services provider so its personnel is already familiar with the City, so the transition to a new program should be smooth.

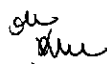
**ECONOMIC/FISCAL IMPACT:**


The City currently pays SCD&R \$1.35 per month per household (as of July 2008) to provide residential recycling services, which equates to approximately \$544,000 cost annually. LAGCO has proposed to provide an expanded residential recycling program to Santa Clara residents for \$2.39 per month, beginning December 7, 2009, which projects to a cost of about \$896,000 annually. The City would need to pay LAGCO an additional \$390,000 annually, which would require an increase in the \$1.04 per household monthly charge to pay for these improved recycling program services in the future.

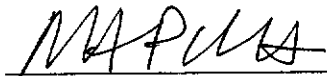
**RECOMMENDATION:**

That Council approve and authorize the City Manager to execute the Exclusive Franchise Agreement For Collection and Handling of Recyclables With Los Altos Garbage Company.

  
Richard J. Mauck  
Director of Streets & Automotive Services

Certified as to Availability of Funds:   
(Subject to Approval of FY 09/10 Oper. Budget)  
096-2934-87860 \$896,000.00

**APPROVED:**  
  
Jennifer Sparacino  
City Manager

  
Mary Ann Parrot  
Director of Finance

MAJORITY VOTE OF COUNCIL

**Documents Related to this Report:**

- 1) Exclusive Franchise Agreement for Collection and Handling of Recyclables Between the City of Santa Clara and Los Altos Garbage Company

**CITY OF SANTA CLARA**  
**AGENDA MATERIAL ROUTE SHEET**

Council Date: September 30, 2008

**SUBJECT:** Exclusive Franchise Agreement For Collection and Handling of Recyclables With Los Altos Garbage Company

**CERTIFICATION**

The proposed Agreement  
Regarding Collection and Handling of Recyclables with Los Altos Garbage Company  
has been reviewed and is hereby certified.

**PUBLICATION REQUIRED:**

The attached Notice/Resolution/Ordinance is to be published \_\_\_\_\_ time(s) at least \_\_\_\_\_ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for \_\_\_\_\_, 200\_\_.

**AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:**

**Federal Codes:**

Title \_\_\_\_\_ U.S.C. § \_\_\_\_\_  
(Titles run 1 through 50)

**California Codes:**

Code \_\_\_\_\_ § \_\_\_\_\_  
(i.e., Government, Street and Highway, Public Resources)

**Federal Regulations:**

Title \_\_\_\_\_ C.F.R. § \_\_\_\_\_  
(Titles run 1 through 50)

**California Regulations:**

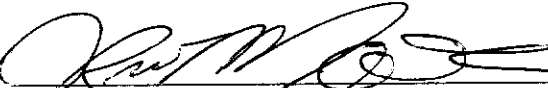
Title \_\_\_\_\_ California Code of Regulations § \_\_\_\_\_  
(Titles run 1 through 28)

**City**

City Charter § \_\_\_\_\_ (i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)

City Code § \_\_\_\_\_

1. As to City Functions, by

  
\_\_\_\_\_  
Department Head


2. As to Legality, by

  
\_\_\_\_\_  
City Attorney's Office / CAO Assignment No 08. 1132

3. As to Environmental  
Impact Requirements, by

  
\_\_\_\_\_  
Director of Planning and Inspection

4. As to Substance, by

  
\_\_\_\_\_  
City Manager

Revision Date June 7, 2005